



CITY COUNCIL

AGENDA REQUEST

AGENDA OF:	01-17-12	AGENDA REQUEST NO:	IV-B
INITIATED BY:	JESSIE LI, PH.D., P.E., ASSISTANT UTILITIES DIRECTOR	RESPONSIBLE DEPARTMENT:	UTILITIES
PRESENTED BY:	JESSIE LI, PH.D., P.E., ASSISTANT UTILITIES DIRECTOR	DIRECTOR:	SUELLEN STAGGS, DIRECTOR OF UTILITIES <i>SS</i>
		ADDITIONAL DIRECTOR (S):	CHRISTOPHER STEUBING, P.E., CFM, CITY ENGINEER <i>CLS</i>
SUBJECT / PROCEEDING:	GROUNDWATER PLANT IMPROVEMENTS FOR SURFACE WATER CONVERSION (CIP SW1001) ACCEPT LOW BID, AUTHORIZE CONSTRUCTION CONTRACT		
EXHIBITS:	CONSULTANT'S RECOMMENDATION LETTER WITH BID TABULATION CONTRACT		
CLEARANCES		APPROVAL	
LEGAL:	N/A	ASSISTANT CITY MANAGER:	KAREN DALY <i>KD</i>
PURCHASING:	TODD REED, CPPB PURCHASING MANAGER <i>TR</i>	ASSISTANT CITY MANAGER:	N/A
BUDGET:	JENNIFER BROWN, <i>JB</i> DIRECTOR OF BUDGET & RESEARCH	CITY MANAGER:	ALLEN BOGARD <i>Allen Bogard</i>
BUDGET			
EXPENDITURE REQUIRED: \$		6,806,205	
CURRENT BUDGET: \$		8,800,000	
ADDITIONAL FUNDING: \$		N/A	
RECOMMENDED ACTION			
Authorize the award of a construction contract with LEM Construction Co., Inc. for the Groundwater Plant Improvements for Surface Water Conversion project, CIP SW1001, in an amount not to exceed \$6,806,205.			

EXECUTIVE SUMMARY

To meet the Fort Bend Subsidence District (FBSD) regulations, the City is building a surface water treatment plant (SWTP) adjacent to Oyster Creek and Gannoway Lake. The SWTP will be constructed for an initial production capacity of 9.0 million gallons per day (MGD) (Phase I), with capability for future expansion to 22.0 MGD (Phase II). The Phase I SWTP construction is anticipated to be completed in June 2013. The treated surface water will be delivered to the Lakeview and First Colony Groundwater Plants for blending with groundwater and redistribution.

The purpose of this project is to implement the necessary improvements at the existing groundwater plants to receive treated surface water, i.e., adding ammonia feed systems at all six existing groundwater plants to match the disinfectant used at the SWTP, adding additional chlorine contact tanks to meet the new Groundwater Disinfection Rule, adding flow control stations at the two surface water-receiving groundwater plants, and all associated electrical and SCADA improvements. Both the preliminary engineering design (SWPE01) and the final engineering design (SW1001) for this project were conducted by Malcolm Pirnie. The final design was completed in October 2011.

The scope of the construction services includes the construction of all required improvements at the six existing groundwater plants, including chemical feed system and contact tanks, tank mixing improvements, flow control stations, site improvements, yard piping, electrical work, and SCADA improvements. The bid included three alternates. The alternates were:

- First Colony tank inlet modification
- Lakeview tank inlet modification
- Lakeview booster pump station modification

On November 16, 2011, the City published an invitation to bid for construction services. Bid opening was planned to be on December 15, 2011. The bid was extended for a week per interested bidders' request to provide more time to prepare the bids. The bids were opened on December 22, 2011. Although there were five interested bidders who purchased the plans, only two bids were received. One bid was from W.W. Payton Co. with a total bid of \$9,100,000. The apparent low bid is from LEM Construction Co., Inc. with a total bid of \$6,806,205, including costs for all of the alternates.

Malcolm Pirnie completed a reference review and evaluation and provided a letter of recommendation indicating LEM is capable of completing a project of this nature. Funding for this project is in CIP SW1001 with a construction budget of \$8,800,000. The construction contract calls for 420 calendar days from the date of the notice to proceed. Construction is expected to begin in February 2012.

The Utilities and Engineering Departments recommend that the City Council authorize the award of a construction contract with LEM Construction Co., Inc. in the amount of \$ 6,806,205 for construction of the Groundwater Plant Improvements for Surface Water Conversion Project CIP SW1001.

EXHIBITS



The Water Division of ARCADIS

Ms. Jessie Li, PhD, P.E.
Assistant Utilities Director
City of Sugar Land
111 Gillingham Lane
Sugar Land, Texas 77478

Subject:

Recommendation to Award Contract for Construction
Sugar Land Groundwater Plant Upgrades for Surface Water Conversion
CIP Project No. SW1001

Dear Ms. Li:

Malcolm Pirnie has received and reviewed two bids submitted to the City of Sugar Land on December 22, 2011 for the subject project. Bids were received from LEM Construction Co. Inc. and W.W. Payton Corporation.

LEM Construction Co. Inc. provided a bid that included one original of all the required documents in the Bid Checklist, with the exception of the Performance Bond and Payment Bond. The required copies (2) of the Bid Bond, Financial Statements, and Similar Projects & Current Projects were not included. W.W. Payton Corporation provided a bid that included one original of all the required documents in the Bid Checklist, with the exception of the Performance Bond and Payment Bond. The required copies (2) of the Financial Statements, and Similar Projects & Current Projects were not included.

A tabulation of the bids is included in Attachment A. Malcolm Pirnie recommends award of the contract to LEM Construction Co. Inc. as the lowest responsive bidder. Based on the bid prices, Malcolm Pirnie recommends that the City accept all of the bid alternates, for a total contract value of \$6,806,205.00.

Please contact me if you have any questions.

Sincerely,

ARCADIS U.S., Inc.

for Gary P. Rabalais, P.E., BCEE
Project Manager

ARCADIS U.S., Inc.
2929 Briarpark Drive
Suite 300
Houston
Texas 77042
Tel 713.953.4800
Fax 713.977.4620

Date:

December 23, 2011

Contact:

Gary P. Rabalais, P.E.,
BCEE
Phone:
713.953.4703

Email:

Gary.Rabalais@arcadis-
us.com

Our ref:

3996-004 C.1, N.5

Imagine the result

Attachment A - Bid Tabulation
Sugar Land Groundwater Plant Upgrades for Surface Water Conversion
CIP No. SW1001



				BID NUMBER 1 LEM Construction Co., Inc. 10849 Kinghurst, Suite 150 Houston, TX 77099		BID NUMBER 2 W.W. Payton Corporation P.O. Box 1056 Katy, TX 77492	
# OF BIDS: 2							
# OF ITEMS: 27							
ITEM NO.	ITEM DESCRIPTION	UNIT MEAS.	UNIT QTY	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT
1	Mobilization	LS	1	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
2	First Colony GWP Improvements	LS	1	\$2,170,000.00	\$2,170,000.00	\$3,000,000.00	\$3,000,000.00
3	Lakeview GWP Improvements	LS	1	\$2,000,000.00	\$2,000,000.00	\$3,000,000.00	\$3,000,000.00
4	Austin Parkway GWP Improvements	LS	1	\$420,000.00	\$420,000.00	\$695,000.00	\$695,000.00
5	Riverton GWP Improvements	LS	1	\$240,000.00	\$240,000.00	\$150,000.00	\$150,000.00
6	Sugar Creek GWP Improvements	LS	1	\$470,000.00	\$470,000.00	\$700,000.00	\$700,000.00
7	Woodchester GWP Improvements	LS	1	\$440,000.00	\$440,000.00	\$646,195.00	\$646,195.00
8	Cash Allowance for PMCS Software Integrator	LS	1	\$137,805.00	\$137,805.00	\$137,805.00	\$137,805.00
9	Trench Safety	LS	1	\$1,000.00	\$1,000.00	\$10,000.00	\$10,000.00
10	Miscellaneous Contingency (To Be Used at the Discretion of Owner)	Allowance	1	\$400,000.00	\$400,000.00	\$400,000.00	\$400,000.00
TOTAL BASE BID					\$6,378,805.00		\$8,830,000.00
1	Extra Demolition Including Waste Removal and Disposal	CY	30	\$200.00	\$6,000.00	\$100.00	\$3,000.00
2	Extra Machine Excavation	CY	50	\$8.00	\$400.00	\$40.00	\$2,000.00
3	Extra Hand Excavation	CY	20	\$20.00	\$400.00	\$200.00	\$4,000.00
4	Extra Placement of Select Backfill, Complete In Place	CY	20	\$30.00	\$600.00	\$30.00	\$600.00
5	Extra Cement Stabilized Sand	CY	10	\$50.00	\$500.00	\$50.00	\$500.00
6	Extra Unit Price for Buried Ductile Iron Pipe, with Fittings and Corrosion Protector	TON	3	\$3,200.00	\$9,600.00	\$4,000.00	\$12,000.00
7	Extra Concrete Paving, Complete In Place	SY	20	\$80.00	\$1,600.00	\$100.00	\$2,000.00
8	Extra Structural Concrete, Materials and Labor, Complete In Place	CY	5	\$300.00	\$1,500.00	\$400.00	\$2,000.00
9	for Complete Duct Bank Installation	LF	50	\$40.00	\$2,000.00	\$80.00	\$4,000.00
10	Costs of Impacts of Surface Water Availability Delay	LS	1	\$1,000.00	\$1,000.00	\$900.00	\$900.00
11	Extra Double Wall Containment Pipe up to 2" x 4", Complete in place	LF	100	\$60.00	\$6,000.00	\$60.00	\$6,000.00
12	Extra Power Wire (600V cable - #12) and 1" PVC Conduit, Complete In Place	LF	100	\$8.00	\$800.00	\$10.00	\$1,000.00
13	Extra Control Wire (600V cable - #14) and 1" PVC Conduit, Complete In Place	LF	100	\$7.00	\$700.00	\$10.00	\$1,000.00
14	Extra Signal Wire (#16 STP) and 1" Rigid Steel Conduit, Complete In Place	LF	100	\$13.00	\$1,300.00	\$20.00	\$2,000.00
TOTAL EXTRA BID					\$32,400.00		\$41,000.00
1	First Colony Tank Inlet Modifications	LS	1	\$90,000.00	\$90,000.00	\$60,000.00	\$60,000.00
2	Lakeview Tank Inlet Modifications	LS	1	\$70,000.00	\$70,000.00	\$40,000.00	\$40,000.00
3	Lakeview Booster Pump Station Modifications	LS	1	\$235,000.00	\$235,000.00	\$120,000.00	\$120,000.00
TOTAL BID ALTERNATES BID					\$395,000.00		\$220,000.00
TOTAL BID					\$6,806,205.00		\$9,100,000.00
Bid Submittal Form Included?					Yes		Yes
Bid Pricing Form Included?					Yes		Yes
Bid Submittal Form matches Bid Pricing Form?					Yes		Yes
Conflict of Interest Questionnaire Included?					Yes		Yes
Debarment Suspension Included?					Yes		Yes
Bid Bond Included?					Yes		Yes
Confirmation of Receipt of Addenda?					Yes		Yes

CITY OF SUGAR LAND
STANDARD CONTRACT FOR CIVIL ENGINEERING CONSTRUCTION PROJECTS
(Rev. 11-2-09)

This City of Sugar Land Standard Contract for Civil Engineering Construction Projects (Contract) is made between the City of Sugar Land, Texas (City), and the Contractor. The City and the Contractor agree to the terms and conditions of this Contract, which consists of the following:

- I. Summary of Contract Terms
- II. Standard Contractual Provisions
- III. Contract Documents
- IV. Signatures

I. Summary of Contract Terms.

Project: City of Sugar Land Groundwater Plant Improvements for Surface Water Conversion Project

Contractor: LEM Construction

Name of Engineering Firm, if any: Malcolm Pirnie

Name of Owner's Project Manager: Jessie Li, P.E., PhD.

Base Bid: \$6,378,805.000

Extra Work Items Nos.: 1 - 14

Total Extra Work Items. Amount: \$32,400.00

Alternate Bid Item Nos.: 1 - 3

Total Alternate Bid Items Amount: \$395,000.00

Contract Price (Base Bid + Extra Work Items + Alternates): \$6,806,205.00, as may be adjusted by Change Orders

Effective Date of Contract: On the latest date of the dates executed by both parties

Date to Begin Work: Date specified in Notice to Proceed

Substantial Completion: Contractor must achieve Substantial Completion within 420 Calendar Days, as the time may be adjusted by Change Order.

Final Completion: Contractor must complete the Punch List within 30 Calendar Days from Substantial Completion.

Liquidated Damage Amount for Failure to Meet Time for Substantial Completion:

\$1,000 per Calendar Day for every day late up to 30 Calendar Days.

\$5,000 per Calendar Day for every day late from day 31 to day 60.
\$10,000 per Calendar Day for every day late greater than 60 days.

Liquidated Damage Amount for Failure to Complete Punch List Items by Time for Final Completion: \$50 per Working Day.

II. Standard Contractual Provisions.

A. Definitions.

Contract means this Standard Contract for Civil Engineering Construction Projects, comprised of the:

1. Summary of Contract Terms (Section I),
2. Standard Contractual Provisions (Section II),
3. Contract Documents (listed in Section III), and
4. Signatures (Section IV).

Project means the project identified in Section I above.

Work means all labor, materials, equipment, and services necessary to construct, erect, install, equip and complete the Project.

B. Work. The Contractor will complete the Work according to the Contract requirements.

C. Payment. Subject to the terms of the Contract, the City will pay the Contractor the sum(s) as shown in Section I above plus any additional sums approved by Change Order. All payments to be made by the City to Contractor, including the time of payment and the payment of interest on overdue amounts, are subject to other requirements of this Contract and Chapter 2251 of the Texas Government Code.

D. Law Governing and Venue. Texas law governs this Contract and any lawsuit on this Contract must be filed in a court that has jurisdiction in Fort Bend County, Texas.

E. Entire Contract. This Contract represents the entire Contract between the City and the Contractor and supersedes all prior negotiations, representations, or contracts, either written or oral. This Contract may be amended only by written instrument signed by both parties.

F. Independent Contractor. Contractor will perform the Work under this Contract as an independent contractor and not as an employee of the City. The City has no right to supervise, direct, or control the Contractor or Contractor's officers or employees in the means, methods, or details of the Work to be performed by Contractor under this Contract. The Contractor will perform the Work in a workmanlike manner and take proper care and precautions to insure the safety of Contractor's officers, employees, and agents.

G. Labor Classification and Minimum Wage Scale. The Contractor must comply with Chapter 2258 of the Texas Government Code. This statute, among other things, requires all contractors and subcontractors performing public works contracts for a municipality to:

1. pay the prevailing wage rate as determined by the municipality, a copy of which is attached as the Labor Classification and Minimum Wage Scale;

2. keep records of the name and occupation of each worker, laborer and mechanic employed by them to work on the Project and the actual per diem wages paid to each; and
3. forfeit, as a penalty, sixty dollars per day for each laborer, worker, or mechanic who is not paid the stipulated wage for the type of work performed by him as shown in the attached Labor Classification and Minimum Wage Scale. The City is authorized to withhold the penalty amount from the Contractor's payment, as provided in the statute.

I. Compliance with Laws. The Contractor will comply with all laws and regulations applicable to its business operations and the Work. The Contractor represents that it has complied with the federal immigration and citizenship laws.

J. Severability. The provisions of this Agreement are severable and the invalidity of any part of this Agreement will not affect the validity of the remainder of this Agreement.

K. Cumulative Remedies. The rights and remedies provided in this Contract, or otherwise under applicable laws, shall be cumulative and the exercise of any particular right or remedy shall not preclude the exercise of any other right or remedies in addition to, or as an alternate of, the right or remedy.

\\III. Contract Documents. The Contractor must comply with the following additional Contract Documents, which are part of this Contract and are incorporated by reference:

1. General Conditions
2. Special Conditions, if any
3. Technical Specifications, including any special shoring requirements
4. Engineer's Plans and Drawings
5. Geotechnical Report, if any
6. Contractor's Bid for the Project
7. Performance Bond
8. Payment Bond
9. Labor Classification and Minimum Wage Rates
10. State of Texas Workers' Compensation Insurance Coverage Addendum
11. Minimum Insurance Policy Limits for Large Construction Projects
12. Contractor's Insurance
13. Notice to Proceed
14. Contractor's Affidavit of Bills Paid
15. Notice to Bidders
16. Instructions to Bidders
17. Change Orders
18. Addenda
19. Conflict of Interest Questionnaire

If there is a conflict between or among the terms of the Contract the City will determine which provision applies.

(Signature Page Follows)

IV. Signatures. By signing below, the parties agree to the terms of this Contract:

CITY OF SUGAR LAND

By: _____

Name: _____

Title: _____

Date: _____

CONTRACTOR: LEM Construction

By:  _____

Name: Herman Myers

Title: Vice President

Date: January 4, 2012